UNITED
NATIONS

S

Security Council

Distr.
GENERAL

S/24902
4 December 1992

ORIGINAL: ENGLISH

NOTE VERBALE DATED 30 NOVEMBER 1992 FROM THE UNITED STATES MISSION TO THE UNITED NATIONS ADDRESSED TO THE SECRETARY-GENERAL

The United States Mission to the United Nations presents its compliments to the Secretary-General of the United Nations and has the honour to refer to the latter's note of 26 October 1992 concerning Security Council resolution 778 (1992), which requested information with respect to certain Iraqi assets frozen under United States jurisdiction.

When the trade embargo was imposed, several shipments of Iraqi petroleum and petroleum products, which had been purchased by United States oil companies, were en route to the United States and other locations. The United States Government permitted the importation of these shipments and the completion of the underlying transactions provided that the importation occurred prior to 2 October 1990, and final, irrevocable payment was made into blocked Iraqi accounts but had not been made available to Iraq in conformity with paragraph 4 of Security Council resolution 661 (1990) and paragraph 11 of Security Council resolution 778 (1992). No Iraqi oil has entered the United States since that date. The principal amounts paid into blocked Iraqi accounts in the United States totalled US$ 637.4 million. Information concerning specific banks and accounts is considered privileged and confidential by the United States and therefore the United States is not in a position to provide such information.

To comply with the provisions of paragraph 1 of Security Council resolution 778 (1992), the President of the United States signed Executive Order 12817. The Executive Order provides that, upon a determination by the Secretary of Treasury that funds or other assets in which the Government of Iraq or its agencies, instrumentalities or controlled entities have an interest represent the proceeds of the sale of Iraqi petroleum or petroleum products, paid for by or on behalf of the purchaser on or after 6 August 1990, United States financial institutions are directed to transfer such funds or assets held by them or carried on their books to the Federal Reserve Bank of New York. When, to the extent and in the manner required by the Secretary of Treasury, a total of US$ 200 million has been transferred to the Federal Reserve Bank of New York pursuant to this Executive Order, the United States is prepared to transfer the US$ 200 million to the United Nations escrow

account, as long as at no time does the amount transferred exceed 50 per cent of the total funds contributed or transferred to the escrow account.

With respect to paragraph 2 of Security Council resolution 778 (1992), the Government of the United States wishes to inform the Secretary-General that there are no petroleum or petroleum products owned by the Government of Iraq, or its State bodies, corporations or agencies, in the United States.